SUNBURST INDUSTRIES INC.

NO 25 SOUTH 300 EAST SALT LAKE CITY, UTAH 84111 (801) 363-9587

December 7, 1981

Certified Mail No. 324 667 277 RRR

Sapphire Corp.
Aleda C. Jensen
1884 Harrison Avenue
Salt Lake City, Utah 84108

Dear Ms. Jensen:

I am in receipt of your letter dated December 4, 1981, and it is incorrect.

Again you have used me by taking front money and never performing.

Refund my \$2,500.00 plus the interest at 10% since July 22, 1981, or I will proceed immediately.

No, no more taking money and then keeping it, with your famous "Seven year default schemes".

This is the last time you will ever proceed on your Quarry. You have used me for the last time.

Signed,

Jerry C. Gatto

JCG/tbz



OIL, GAS & MINING



CASHIER'S CHECK

No

9606

	7-23-81	
DATE		

31-267/1240

PAY TO THE ORDER OF

**** SAPPHIRE COMPANY *****

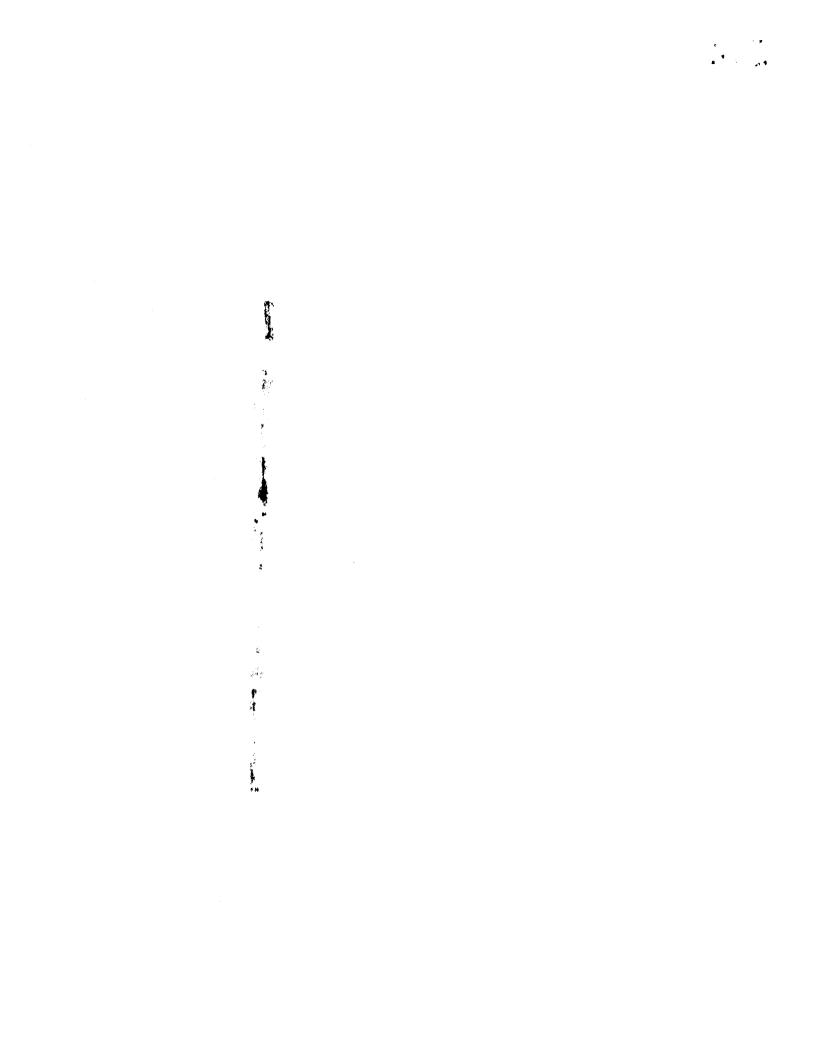
\$ *2500.00*

JERRY GATTO

PURCHASER

jk

DEC 10 1981



INSURANCE BINDER

acord

ACORD 75 (11-77)

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

Bind	er N	10.	
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R			

NAME AND ADDRESS OF AGENCY

BAYLY, MARTIN & FAY-CONTINENTAL INC. 320 East 4th South

Salt Lake City, Utah 84111

NAME AND MAILING ADDRESS OF INSURED

JERRY GATTO
DBA SPECTRUM QUARRY
25 South 3rd East
Salt Lake City, Utah 84111

COMPANY

UNIGARD INSURANCE COMPANY

Effective 12:01 A m November 17 , 19 81 Expires & 12:01 am Noon Jan 17 , 19 82

☐ This binder is issued to extend coverage in the above named company per expiring policy # (except as noted below)

Description of Operation/Vehicles/Property

SLATE QUARRY

1000000	Salt Lake City, Utah 84111	2					
	Type and Location of Property	Coverage/Per	rils/Forms	Amt of Insurance	Ded.	Cains.	
P R O P E R T Y							
	Type of Insurance	LOVERSOR / FORMS		Each Occurrence			
ABILITY	☐ Scheduled Form ☐ Comprehensive Form ☐ Products/Completed Operations		Bodily Injury Property Damage	\$ \$;ate	
	☐ Contractual ☐ Other (specify below) X Med. Pay. \$ 1000 Per Person Personal Injury	□ A □ B □ C	Bodily Injury & Property Damage	\$ 300,000 \$	300,	000	
TOMOBI	□ Liability □ Non-owned □ Hired □ Comprehensive-Deductible \$ □ Collision-Deductible \$ □ Medical Payments \$ □ Uninsured Motorist \$		Limits of Liability Bodily Injury (Each Person) \$ Bodily Injury (Each Accident) \$ Property Damage \$				
	□ No Fault (specify): □ Other (specify):		Bodily Injury & Property Damage Combined \$				
	□ WORKERS' COMPENSATION — Statutory Limits (specify	states below) EM	PLOYERS' LIABILI	TY — Limit	A		
SPECIAL CONDITIONS/OTHER COVERAGES PENDING ISSUANCE OF NEW POLICY DEC 10 1981							
NAME AND ADDRESS OF MORTGAGEE LOSS PAYEE ADD'L INSURED LOAN NUMBER DIVISION OF DIVISION							
	SAPPHIRE COMPANY % Aleda Jensen 1884 Harrison Avenue Salt Lake City, Utah 84108	Senatu	re of Authorized Repr	See See	11- 7	2-81	

(801) 363-4787

Dec. 4, 1981

Mr. Jerry Gatto: 200 South 710 East Salt Lake City, Utah 84102

Dear Mr. Gatto:

This letter is giving you final notice regarding your defaults in a Purchase Agreement, entered into as of August 14, 1981 with Sapphire Company.

You now have 30 days in which to correct defaults as listed below.

- 1- Pg. 2 #B \$1500.00 monthly payment.
- 2- Pg. 3 #4 Escrow Agreement never consumated at Utah Bank & Trust.
- 3- Pg. 6 #13 To promptly commence removal of overburden.
- 4- Pg. 6 #12 No copy of Proof of Labor, that had been filed and recorded at County Recorder's Office in Filmore, Ut.
- 5- Pg. 6 #12 No filing with State Breau of Land Management Office, with copy to Sapphire Company.
- 6- Pg. 4 #13 No copy to Sapphire Company on any Geological Reports on Maining Claims.
- 7- Pg. 6 #13 Will retain services of H. Sanford Jones and Paul L. Murdock.

Unless above defaults are corrected within 30 day grace period, this Purchase Agreement shall become null and void.

Yours truly.

Aleda C. Jensen

Sapphire Co. (mgr.)

DEC 10 1981

DIVISION OF OIL, GAS & MINING